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MILK MARKET INFORMATION BULLETIN
CHATTANOOGA, TENNESSEE, MARKETING AREA

Volume 20 MAY 1976 Number 10

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Released Pursuant to §1000.3 and §1090.86, USDA-AMS
Federal Order No. 90, 112 Lee Parkway Drive, Chattanooga, Tennessee 37411
J. E. Bobo, Market Administrator

MARKET SUMMARY - MAY 1976

The Chattanooga Order Minimun uniform producer prices per cwt. at pool plants for milk testing 3.5% butterfat are: Base Milk - $10.51 and Excess Milk - $8.30. The producer butterfat differential is 10.3 cents for each one-tenth of one percent above or below 3.5% test. This is a Base and Excess price increase of $1.63 and $1.26 respectively above May 1975.

In May 1976, 74.17% of the producer milk received by pool plants was priced in Class I at $10.75 per cwt. and 8.63% was priced in Class II at $8.40 per cwt. and 17.20% was priced in Class III at $8.30 per cwt. The May 1976 butterfat differential for all milk testing above or below 3.5% is 10.3 cents.

Total producer milk received during May 1976 was 32,177,639 pounds which is an increase of 1,666,560 pounds or 5.5% compared with May 1975. Deliveries of producer Base milk exceeded producer milk in Class I 2,815,770 pounds or percentagewise only 89.4% of Base milk was used in Class I. The May 1976 daily average deliveries from 500 producers was 2,076 pounds. This compares to 557 farms delivering a daily average of 1,767 pounds per day during May 1975.

PLANTS DISTRIBUTING MILK IN CHATTANOOGA FEDERAL ORDER NO. 90 AREA - MAY 1976

POOL PLANTS - CHATTANOOGA
Dairymen, Inc., Chattanooga, TN
Flav-O-Rich, Inc., Rossville, GA
Mayfield Dairy Farms, Inc., Athens, TN
Ray Moss Farms, Inc., Chattanooga, TN

PARTIALLY REGULATED
Federal Order No. 90, Chattanooga
The Great A&P Tea Co., High Point, NC
Coble Dairy Products Co-op, Inc., Anderson, SC
Tro-Fe Dairy Company, Inc., Gadsden, AL

Federal Order No. 98, Nashville
Avalon Dairies, Inc., McMinnville, TN
Sealtest Foods, Inc., Nashville, TN

Federal Order No. 101, Knoxville
Broadacre Dairies, Inc., Powell, TN
Flav-O-Rich, Inc., Knoxville, TN

Federal Order No. 7, Georgia
Atlanta Dairies Co-op., Atlanta, GA
Dempsey Brothers Dairies, Inc., Rome, GA
Meadow Gold Dairies of Ga., Cedartown, GA
Superbrand Dairy Prods., Montgomery, AL

Federal Order No. 11, Appalachian
Farmbest Foods, Inc., Bristol, VA

Federal Order No. 49, Indiana
Kroger Company, Indianapolis, IN

COMPARISON OF MILK RECEIPTS AND UTILIZATION
(DAILY AVERAGE POUNDS)

	May '76 Over May '75	May 1976	Apr. 1976	May 1975
Number of Plants - Pool		4	4	4
- Non-Pool		13	11	14
RECEIPTS				
Pool Plants - Producer Milk	+ 5.5	1,037,988	1,055,257	984,228
- Other Source	-28.2	36,004	40,287	50,114
- Other Federal Order	-65.7	1,751	8,745	5,108
Non-Pool Plants - Cl. I Sales in Area	- 4.1	59,828	59,401	62,394
TOTAL MILK RECEIPTS	+ 3.1	1,135,571	1,163,690	1,101,844
UTILIZATION				
Class I Uses				
Homogenized Milk	- 8.7	372,303	387,219	407,790
Lowfat - 2% Milk	+ 7.3	272,655	272,313	254,207
Skim and 1% Milk	- 3.1	20,633	22,006	21,294
Buttermilk	- 3.2	59,096	61,371	61,080
Flavored Milk and Drink	+10.6	39,233	40,889	35,471
Sub-Total of Pkg. Items (Pool Plants)	- 2.0	763,920	783,798	779,842
Other, Shrinkage		2,924	4,344	4,465
Sales to Non-Pool Plants		3,041	3,099	-0-
In Area Sales by Non-Pool Plants	- 4.1	59,828	59,401	62,394
TOTAL CLASS I USAGE	- 2.0	829,713	850,642	846,701
Class II Uses - Pool Plants Only				
Sweet Creams - Routes	- 0.5	2,634	2,602	2,648
Sour Cream and Dip - Routes	+13.8	1,885	1,958	1,656
Yogurt - Routes	-25.7	587	693	790
Frozen Desserts and Ice Milk Mixes	-24.1	75,763	84,969	99,877
Other, Cottage Cheese, Inventory, etc.	+20.9	41,183	26,568	34,075
Sales to Non-Pool Plants	+22.7	5,093	6,668	4,150
TOTAL CLASS II USAGE	-11.2	127,145	123,458	143,196
Class III Uses - Pool Plants Only				
Animal Feed and Dumped	- 9.7	5,486	5,084	6,072
Class III Shrinkage	- 4.3	16,844	16,759	17,596
Inventory Variation		7,372	(7,546)	(13,029)
Other, Overage, etc.		143	233	45
Bulk Sales to Non-Pool Plants	+47.0	148,868	175,060	101,263
TOTAL CLASS III USAGE	+59.6	178,713	189,590	111,947
IN AREA PACKAGE ROUTE DISPOSITION BY POOL PLANTS AND NON-POOL PLANTS				
Homogenized Milk	-11.3	279,821	292,353	315,321
Lowfat - 2% Milk	+ 7.8	192,971	194,079	179,020
Skim and 1% Milk	- 1.6	14,927	15,913	15,165
Buttermilk	- 6.3	44,610	46,405	47,634
Flavored Milk and Drink	+ 9.3	32,277	32,708	29,544
Total Class I Disposition In-Area	- 3.8	564,606	581,458	586,684
CLASS I PKG. ROUTE DISPOSITION				
In-Area by pool plants	- 3.7	504,778	522,057	524,290
In-Area by non-pool plants	- 4.1	59,828	59,401	62,394

COMPUTATION OF WEIGHTED AVERAGE PRICE

MAY 1976	Class Percent	Butterfat Pounds	Product Pounds	Cwt.Price @ 3.5%	Total Value
Class I Producer Milk	74.1708	602,700	23,866,429	$10.75	$2,565,641.12
Class II Producer Milk	8.6266	229,725	2,775,821	8.40	233,168.96
Class III Producer Milk	17.2026	354,261	5,535,389	8.30	459,437.28
TOTAL PRODUCER MILK	100.0000	1,186,686	32,177,639		3,258,247.36
Less Handler Class I Location Adjustment					-0-
Add Value of Overages					-0-
Add Inventory Reclassification Charges					-0-
Add Value of Class I Other Source Milk and Producer Location Adjustment					-0-
Add ½ Producer-Settlement Fund Balance					14,286.55
Total Utilization Value @ 3.5% Test			32,177,639	$10.170211	$3,272,533.91
Less Producer-Settlement Fund Reserve			32,177,639	.040211	
WEIGHTED AVERAGE PRICE @ 3.5% TEST			32,177,639	$10.13	

COMPUTATION OF UNIFORM BASE AND EXCESS PRICES

MAY 1976	Product Pounds	Cwt. Price @ 3.5%	Excess Value	
Total Utilization Value 3.5% Test	32,177,639	xxx	xxx	$3,272,533.91
Excess Milk Used in Class I		$10.75		
Excess Milk Used in Class II		8.40		
Excess Milk Used in Class III	5,495,440	8.30	$456,121.52	
UNIFORM EXCESS PRICE @ 3.5% TEST	5,495,440	8.30	xxx	456,121.52
Less FMP from unregulated supply plants allocated to Class I @ Wt. Av. Price	-0-		xxx	-0-
TOTAL VALUE OF BASE MILK	26,682,199	10.555398		2,816,412.39
Less Producer-Settlement Fund Reserve	26,682,199	.045398		12,113.18
UNIFORM BASE PRICE @ 3.5% TEST	26,682,199	$10.51		$2,804,299.21

MAY 1976 MINIMUM PRODUCER PRICES CWT. f.o.b. CHATTANOOGA POOL PLANTS
BUTTERFAT DIFFERENTIAL 10.3¢ PER POINT (EXCLUDES PREMIUMS)

TEST-%	BASE	EXCESS	TEST-%	BASE	EXCESS	TEST-%	BASE	EXCESS
3.0	$9.995	$7.785	4.0	$11.025	$8.815	5.0	$12.055	$9.845
3.05	10.0465	7.8365	4.05	11.0765	8.8665	5.05	12.1065	9.8965
3.1	10.098	7.888	4.1	11.128	8.918	5.1	12.158	9.948
3.15	10.1495	7.9395	4.15	11.1795	8.9695	5.15	12.2095	9.9995
3.2	10.201	7.991	4.2	11.231	9.021	5.2	12.261	10.051
3.25	10.2525	8.0425	4.25	11.2825	9.0725	5.25	12.3125	10.1025
3.3	10.304	8.094	4.3	11.334	9.124	5.3	12.364	10.154
3.35	10.3555	8.1455	4.35	11.3855	9.1755	5.35	12.4155	10.2055
3.4	10.407	8.197	4.4	11.437	9.227	5.4	12.467	10.257
3.45	10.4585	8.2485	4.45	11.4885	9.2785	5.45	12.5185	10.3085
3.5	10.51	8.30	4.5	11.54	9.33	5.5	12.57	10.36
3.55	10.5615	8.3515	4.55	11.5915	9.3815	5.55	12.6215	10.4115
3.6	10.613	8.403	4.6	11.643	9.433	5.6	12.673	10.463
3.65	10.6645	8.4545	4.65	11.6945	9.4845	5.65	12.7245	10.5145
3.7	10.716	8.506	4.7	11.746	9.536	5.7	12.776	10.566
3.75	10.7675	8.5575	4.75	11.7975	9.5875	5.75	12.8275	10.6175
3.8	10.819	8.609	4.8	11.849	9.639	5.8	12.879	10.669
3.85	10.8705	8.6605	4.85	11.9005	9.6905	5.85	12.9305	10.7205
3.9	10.922	8.712	4.9	11.952	9.742	5.9	12.982	10.772
3.95	10.9735	8.7635	4.95	12.0035	9.7935	5.95	13.0335	10.8235

CHATTANOOGA ORDER MINIMUM MILK PRICES (3.5 PERCENT TEST)

Date	PRODUCER UNIFORM PRICES 1/ Per Hundredweight			Butterfat	HANDLER CLASS PRICES 1/ Per Hundredweight		
	Uniform	Base	Excess	Diff.	Class I	Class II	Class III
May '75	$8.60 2/	$8.88	$7.04	8.0¢	$9.01	$7.12	$7.02
June	8.61 2/	8.90	7.13	8.0	9.09	7.21	7.11
July	8.76 2/	9.12	7.40	8.8	9.17	7.45	7.35
Aug.	8.95	-	-	9.6	9.26	7.80	7.70
Sept.	9.40	-	-	10.1	9.50	8.37	8.27
Oct.	9.71	-	-	10.7	9.85	8.70	8.60
Nov.	10.20	-	-	11.2	10.42	8.94	8.84
Dec.	10.47	-	-	11.9	10.75	9.18	9.08
Jan.'76	10.67	-	-	9.9	10.99	9.00	8.90
Feb.	10.52	-	-	9.3	11.23	8.35	8.25
Mar.	10.45 2/	10.77	8.60	9.9	11.05	8.70	8.60
Apr.	9.93 2/	10.25	8.44	10.3	10.40	8.54	8.44
May	10.13 2/	10.51	8.30	10.3	10.75	8.40	8.30
June	-	-	-	-	10.59	-	-
July	-	-	-	-	10.45	-	-

Date	PRICE QUOTATIONS			PRODUCER MILK					
	Chi.92° Butter	Chi.Area Powder	Minn/Wisc. Mfg. Milk	Daily Average Pounds			Percentage Use Per Class		
	¢ Lb.	¢ Lb.	Cwt.-3.5%	Class I	Class II	Class III	I	II	III
May '75	69.19	60.36	$7.02	780,974	92,334	110,920	79.3	9.4	11.3
June	69.19	60.44	7.11	721,087	118,266	113,532	75.7	12.4	11.9
July	76.62	60.45	7.35	758,335	126,105	96,461	77.3	12.9	9.8
Aug.	83.56	61.44	7.70	774,089	122,771	68,717	80.2	12.7	7.1
Sept.	87.87	64.08	8.27	845,822	63,103	22,796	90.8	6.8	2.4
Oct.	93.04	68.29	8.60	802,424	61,598	42,129	88.6	6.8	4.6
Nov.	97.28	71.36	8.84	789,061	61,333	70,400	85.7	6.7	7.6
Dec.	103.62	71.17	9.08	781,138	56,999	106,216	82.7	6.0	11.3
Jan.'76	86.12	66.04	8.90	793,143	65,413	81,716	84.3	7.0	8.7
Feb.	80.94	64.25	8.25	776,243	73,379	174,585	75.8	7.2	17.0
Mar.	86.05	63.37	8.60	781,605	95,916	163,947	75.0	9.2	15.8
Apr.	89.52	62.90	8.44	791,241	81,999	182,017	75.0	7.8	17.2
May	89.88	62.71	8.30	769,885	89,542	178,561	74.2	8.6	17.2

SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE POUNDS)

Date	HANDLER GROSS MILK 3/			PRODUCER DATA					
	No. Hdlers	Total Receipts	Class I Use	Pool Plants	No. Prod.	Total Delivery	Base Delivery	Average Test-%	Av.Per Farm
May '75	18	1,101,844	846,701	4	557	984,228	840,125	3.74	1,767
June	18	1,057,279	772,728	4	570	952,885	802,710	3.71	1,672
July	18	1,097,026	811,262	4	625	980,901	782,023	3.64	1,569
Aug.	16	1,063,347	704,708	4	612	965,577	-	3.60	1,578
Sept.	16	1,077,503	908,919	4	540	931,721	-	3.66	1,725
Oct.	16	1,046,372	867,764	4	505	906,151	-	3.81	1,794
Nov.	15	1,035,802	845,453	4	501	920,794	-	3.87	1,838
Dec.	15	1,042,931	840,671	4	507	944,353	-	3.97	1,863
Jan.'76	15	1,065,845	872,481	4	509	940,272	-	4.03	1,847
Feb.	15	1,137,045	836,640	4	538	1,024,207	-	3.93	1,904
Mar.	15	1,150,288	844,441	4	506	1,041,468	892,803	3.82	2,058
Apr.	15	1,163,690	850,642	4	504	1,055,257	869,474	3.72	2,094
May	17	1,135,571	829,713	4	500	1,037,988	860,716	3.69	2,076

1/ Excludes Premium

2/ Weighted Average Price

3/ Other Source is Gross Minus Producer